



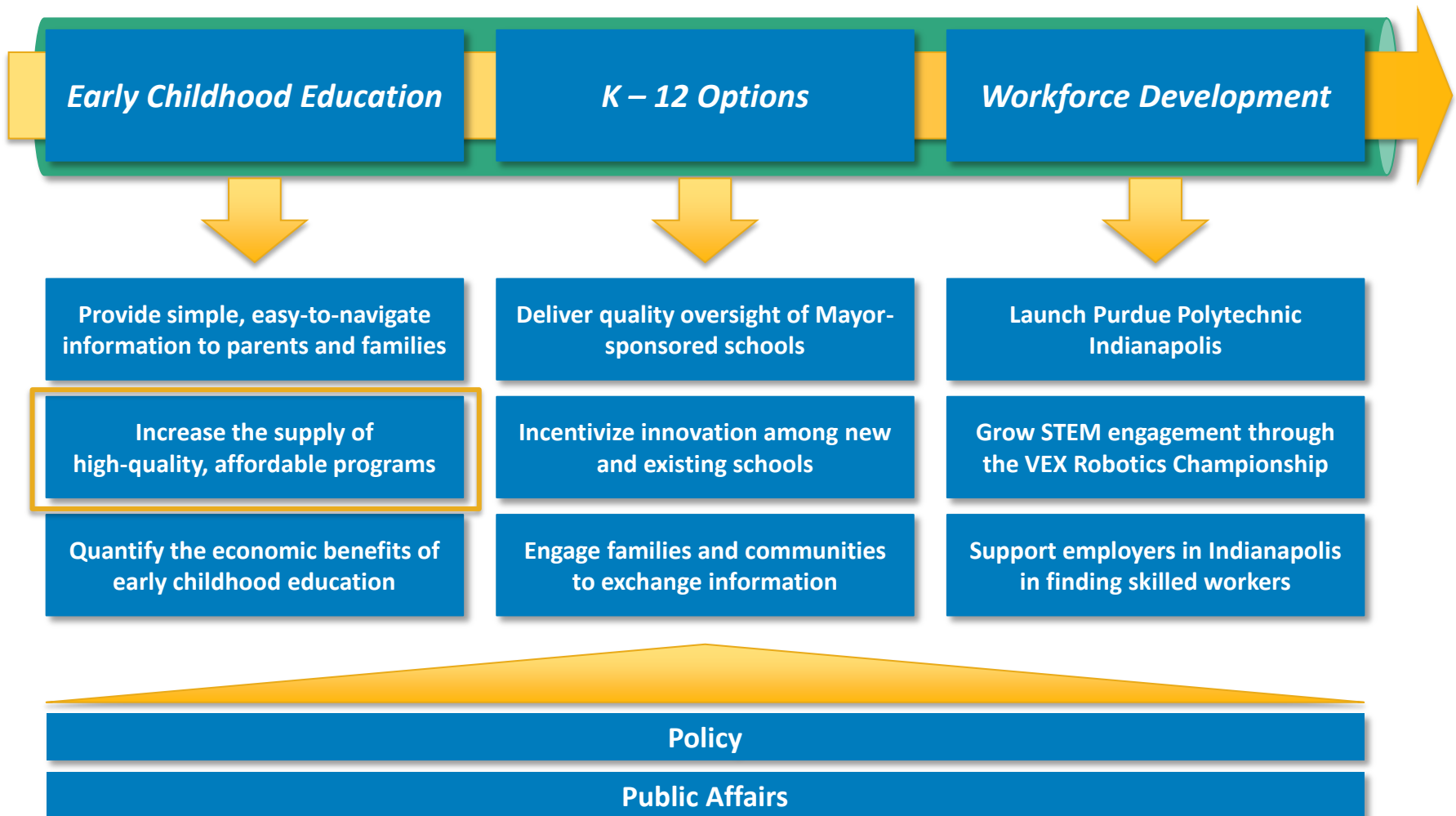
# Indianapolis

*Gregory A. Ballard, Mayor*

***Making Preschool Affordable and Accessible in Indy***

***All children deserve access to a high-quality education that enables them to define their life paths.***

*We live in **an knowledge-based economy which demands a knowledge-based education system.** Commitment to this vision begins with early childhood education, continues through K-12 options and lasts through higher education and workforce development.*



### The impact of childhood poverty

Making preschool affordable and accessible

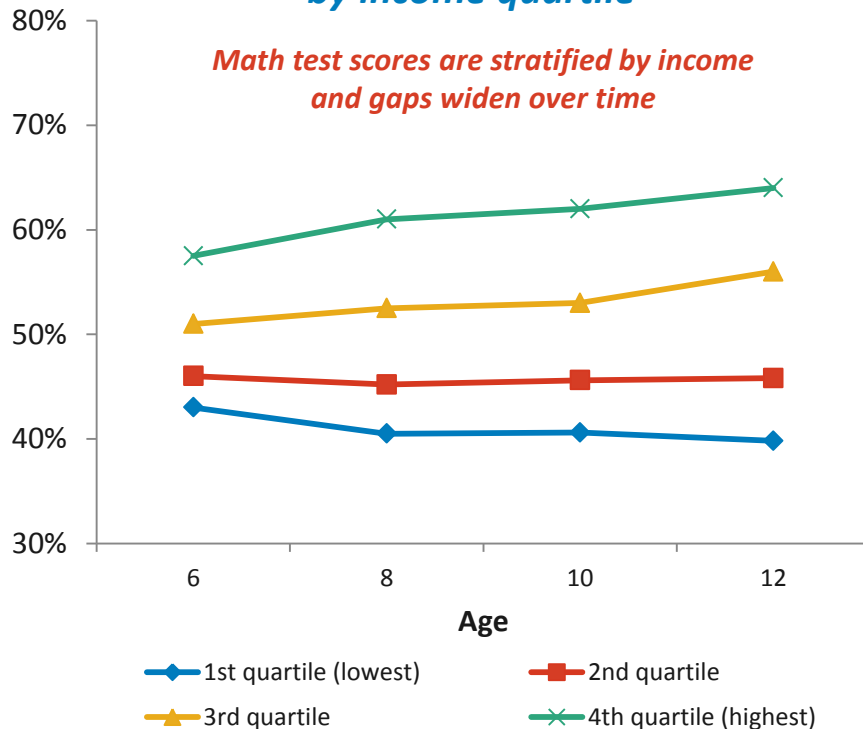
Implementation timeline

# National research shows children born into poverty display cognitive and social opportunity gaps at young ages

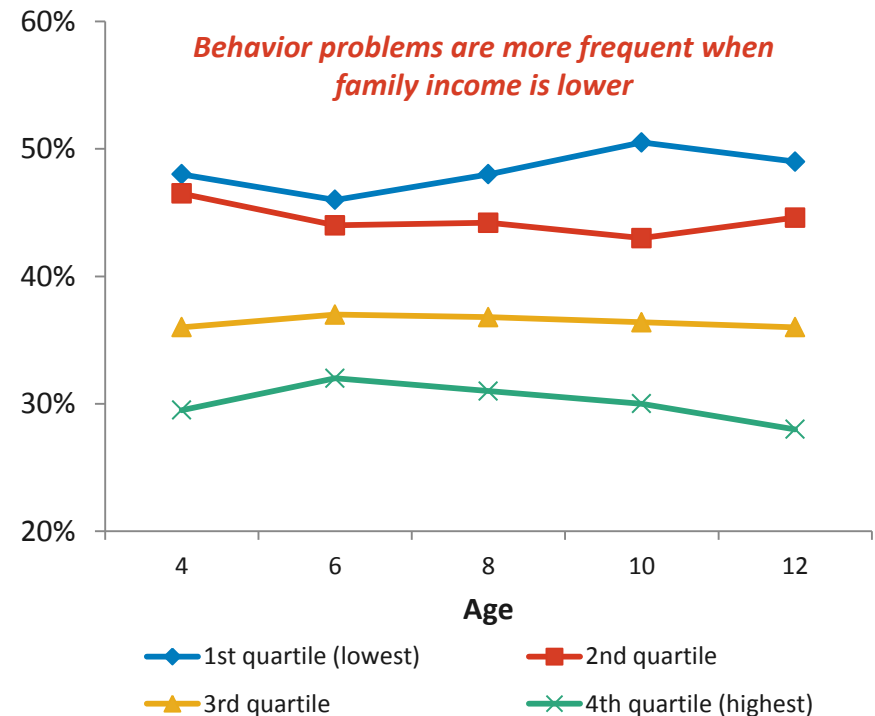


*All children have the capacity to learn and achieve at high levels. Unfortunately, children in poverty experience opportunity gaps at early ages when compared with their more affluent peers. These opportunity gaps are driven by a variety of factors such as a **lack of early exposure to language, books, mathematics, nutrition, and socialization.***

**Figure 1: Math test<sup>1</sup> scores by income quartile<sup>2</sup>**



**Figure 2: Anti-social behavior score by income quartile<sup>2</sup>**



<sup>1</sup>Peabody Individual Achievement Test (PIAT) math scores from the National Longitudinal Survey of Youth, a program of the Bureau of Labor Statistics.

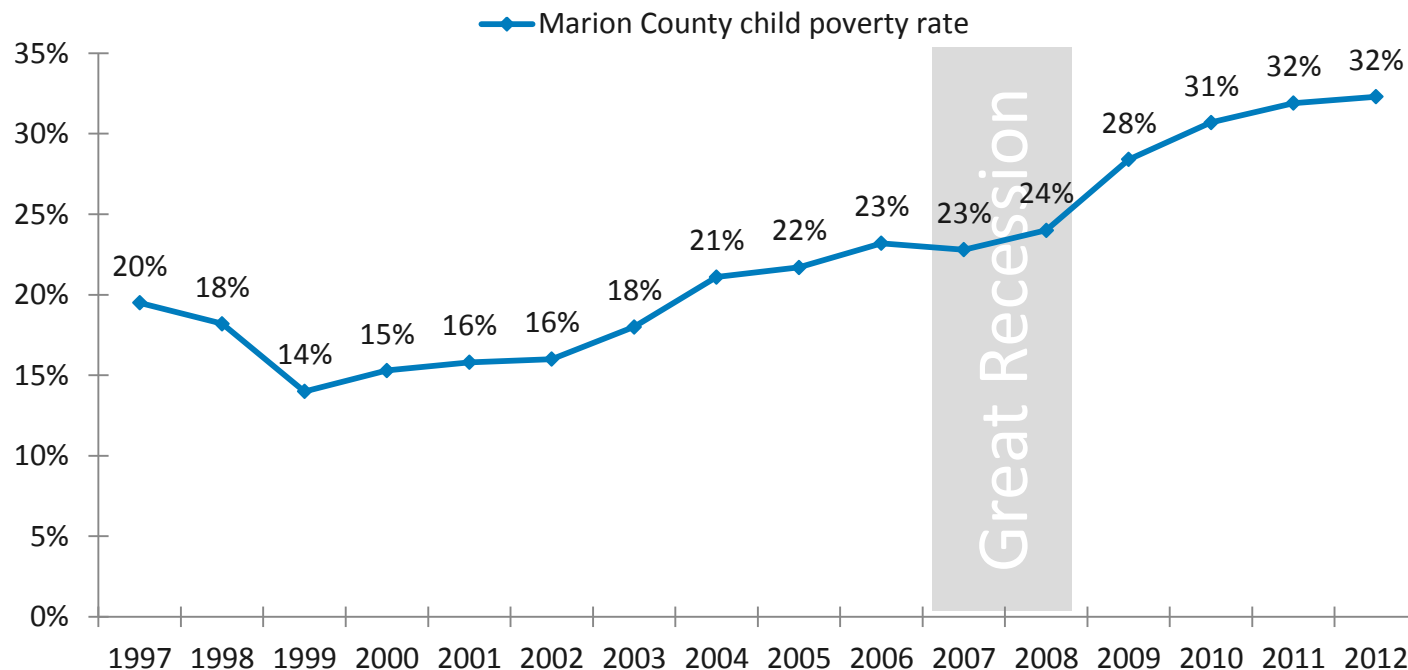
<sup>2</sup>Adapted from Heckman, J. J., & Masterov, D. V. (2007). The productivity argument for investing in young children. Review of Agricultural Economics.

## An increasing number of our city's children live in poverty



*Coming out of the Great Recession, many urban cities experienced growth in poverty rates. Our city was affected more by the Great Recession than the state as a whole. The Polis Center found the **Marion County child poverty rate has doubled since 2000.**<sup>1</sup>*

### Percentage of children living in poverty locally and statewide<sup>2</sup>



<sup>1</sup> The Polis Center. [http://www.savi.org/savi/documents/Trends\\_in\\_Poverty.pdf](http://www.savi.org/savi/documents/Trends_in_Poverty.pdf)

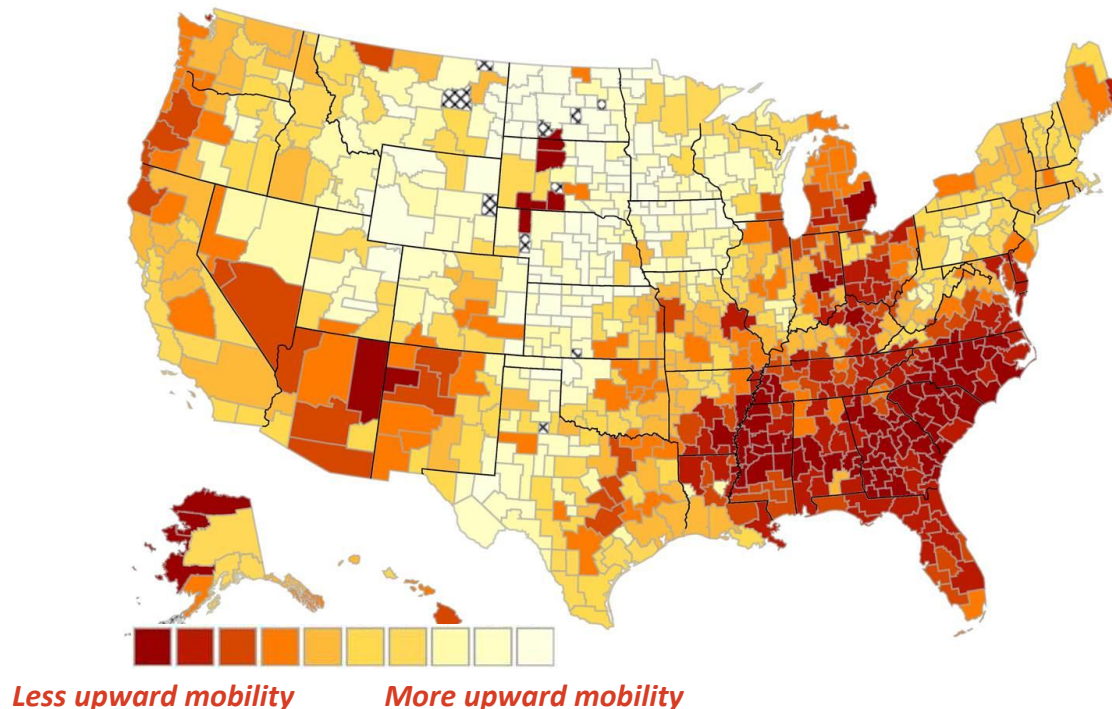
<sup>2</sup> Indiana Youth Institute. <http://datacenter.kidscount.org/data/>

## Indianapolis children born into poverty are likely to remain in poverty



A recent study on economic mobility<sup>1</sup> demonstrates that **geography of birth largely predicts adult success. In Indianapolis**, the odds of children rising to a higher income bracket after being born into poverty are low. Among cities with higher mobility, there were four determining factors including more mixed income neighborhoods, two parent households, strong schools, and civic engagement.

### Chances of Climbing the Income Ladder<sup>2</sup>



<sup>1</sup> Chetty et al., The Equality of Opportunity Project. <http://www.equality-of-opportunity.org/>.

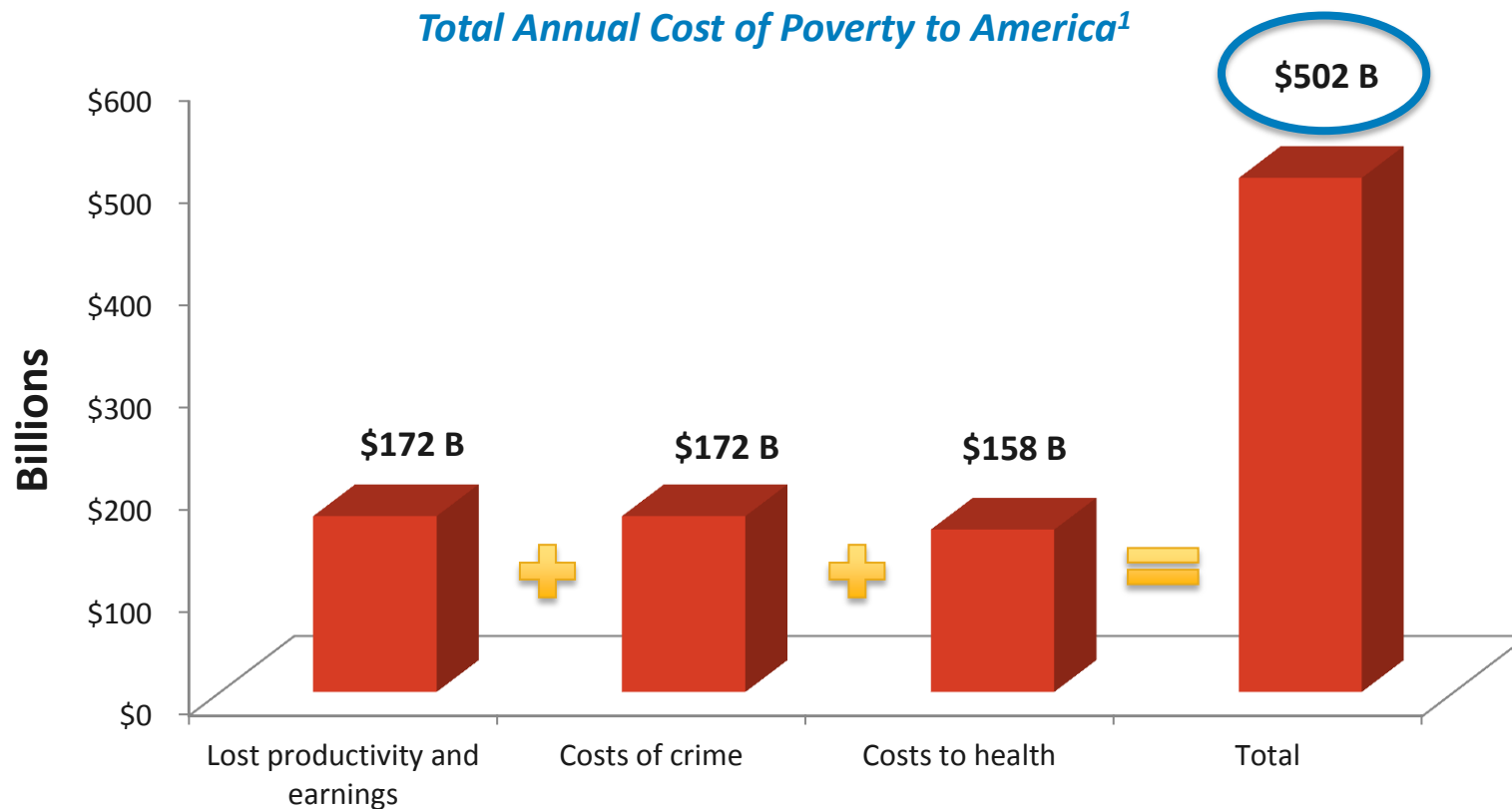
<sup>2</sup> Retrieved from New York Times article: <http://www.nytimes.com/2013/07/22/business/in-climbing-income-ladder-location-matters.html?pagewanted=all>

## Childhood poverty impacts our economic and social vitality



*In 2007, researchers estimated the **costs associated with childhood poverty amount to over \$500 billion per year** in the form of lost economic productivity and earnings in adulthood, as well as costs associated with higher crime and poorer health.<sup>1</sup> **This cost is nearly 4% of US GDP.***

***Total Annual Cost of Poverty to America<sup>1</sup>***



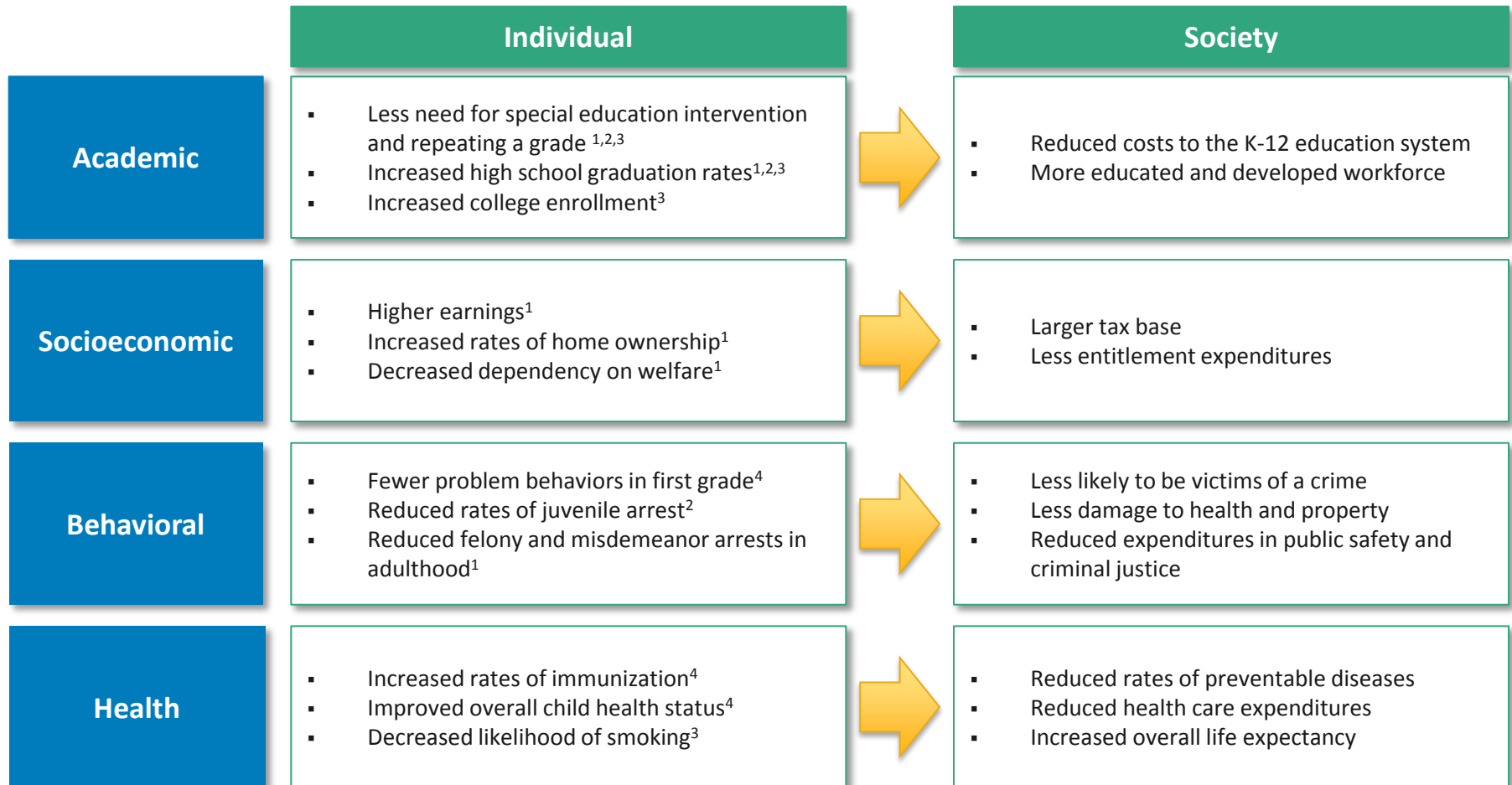
<sup>1</sup> Center For American Progress. [http://www.americanprogress.org/issues/2007/01/pdf/poverty\\_report.pdf](http://www.americanprogress.org/issues/2007/01/pdf/poverty_report.pdf)



# Quality early childhood education reverses many of the effects of poverty on children's lives



*A comprehensive body of empirical evidence makes clear that **well-designed, high-quality early childhood education programs can improve academic, socioeconomic, behavioral, and health outcomes for children living in poverty.***



<sup>1</sup>Perry Preschool Project

<sup>2</sup>Chicago Child-Parent Centers

<sup>3</sup>Abecedarian Project

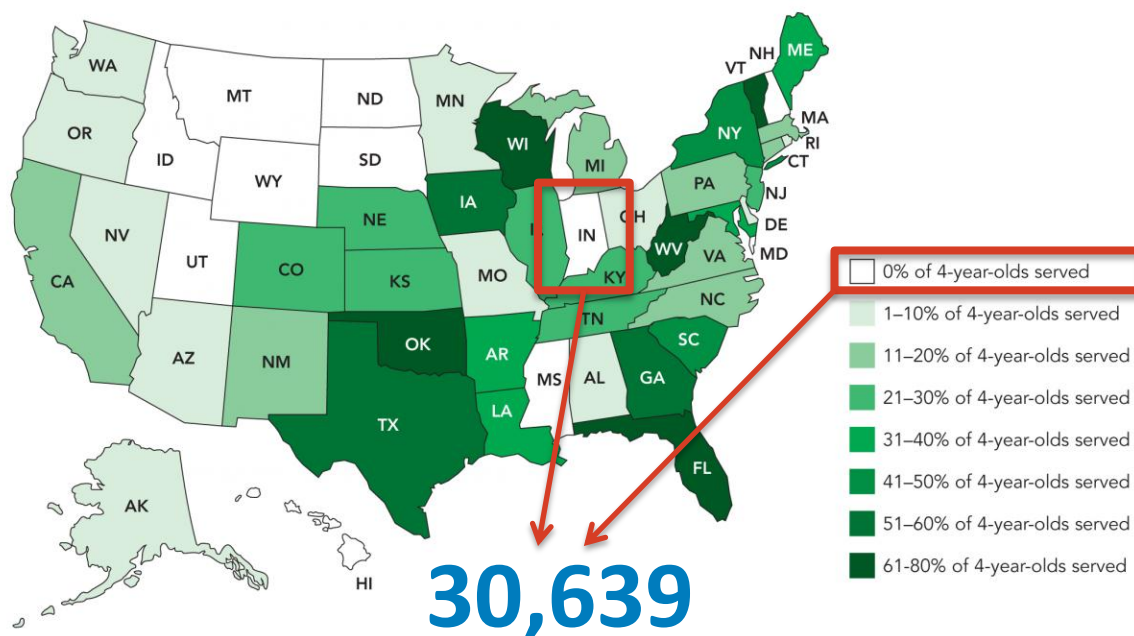
<sup>4</sup>Head Start

# Indiana lags behind most other states in providing early education



40 states, including Indiana's neighbors, have state-funded pre-K programs, usually targeted towards low-income 4-year-olds. Recently, Indiana put a limited pilot program in place. *While a step in the right direction, the pilot isn't enough to meet the needs of Indianapolis families.*

## Percent of 4-year-olds served in state pre-K<sup>1</sup>



*at-risk 4-year-olds in Indiana are not currently enrolled in publicly-funded early education programs<sup>3</sup>*

## Total ROI per \$1 spent on early childhood programs<sup>2</sup>

**\$8.74**

Perry Preschool  
Ypsilanti, MI

**\$7.10**

Chicago Child-Parent Centers  
Chicago, IL

**\$6.92**

Elmira Project  
Elmira, NY

**\$4.01**

Abecedarian Project  
Chapel Hill, NC

<sup>1</sup> [The State of Preschool 2012](#). The National Institute for Early Education Research.

<sup>2</sup> <http://www.finebynine.org/uploaded/file/BenefitCostStudies.pdf>

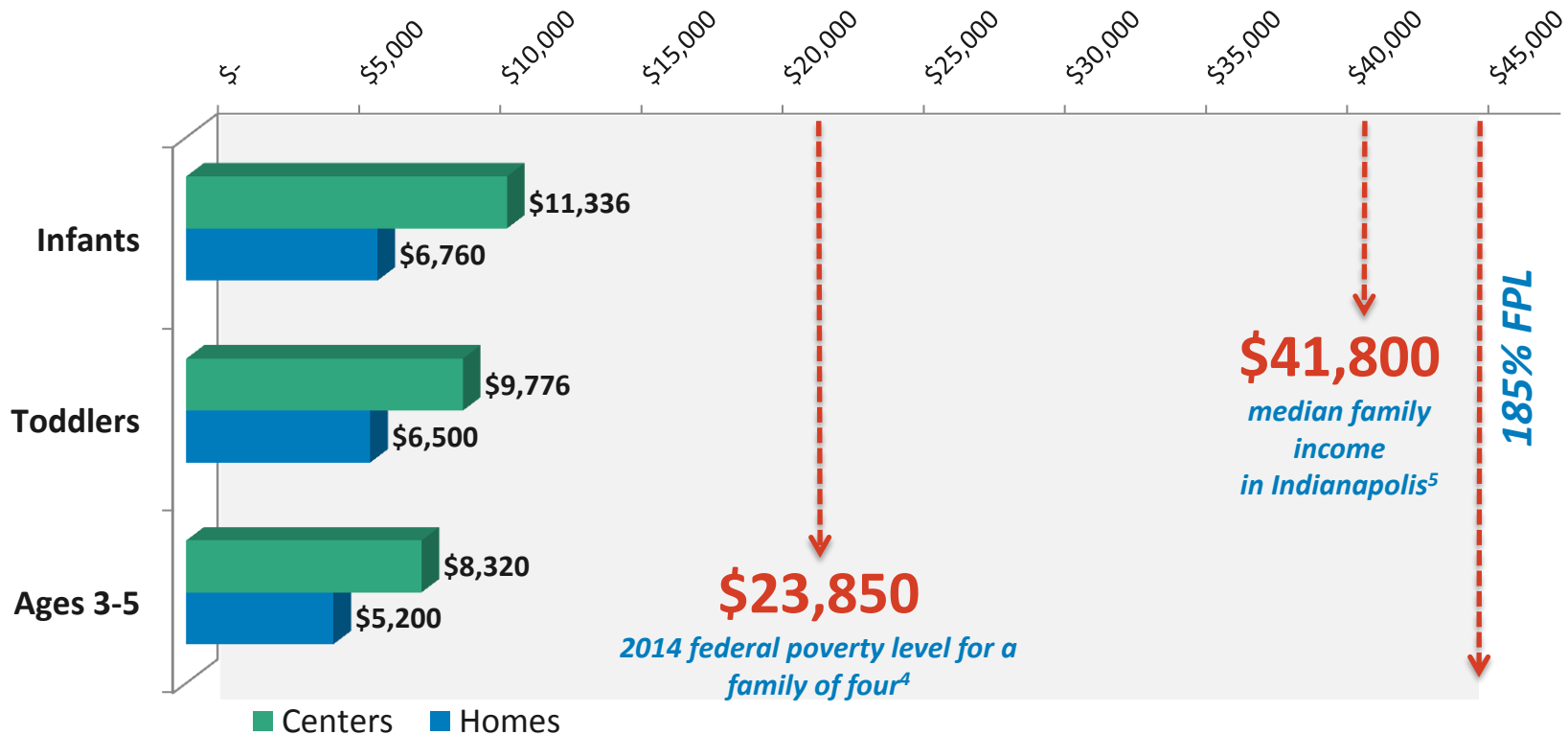
<sup>3</sup> [Is Indiana Ready for State-Funded Pre-K Programs? Revisited](#). Center for Evaluation & Education Policy, 2013.

## Affordability: The high cost of early childhood education limits access



The average high-quality preschool program costs between \$4,708 and \$6,972 per year per child.<sup>1</sup> This is cost-prohibitive for many families in Indianapolis, where **37% of all children ages 0-5 are living in poverty.**<sup>2</sup> For 50% of families, child care costs 21% or more of their annual income.

### Annual cost of full-time early childhood care and education<sup>3</sup>



<sup>1</sup> Indiana Early Learning Advisory Committee. (2014). Report to the Governor. Retrieved from: <http://www.in.gov/fssa/carefinder/4842.htm>

<sup>2</sup> [National KIDS COUNT](#)

<sup>3</sup> Marion County CCDF reimbursement rates, Indiana Family and Social Services Administration. <http://www.in.gov/fssa/files/CCDFMarionReimbRate.pdf>

<sup>4</sup> U.S. Department of Health and Human Services. <http://aspe.hhs.gov/poverty/14poverty.cfm>

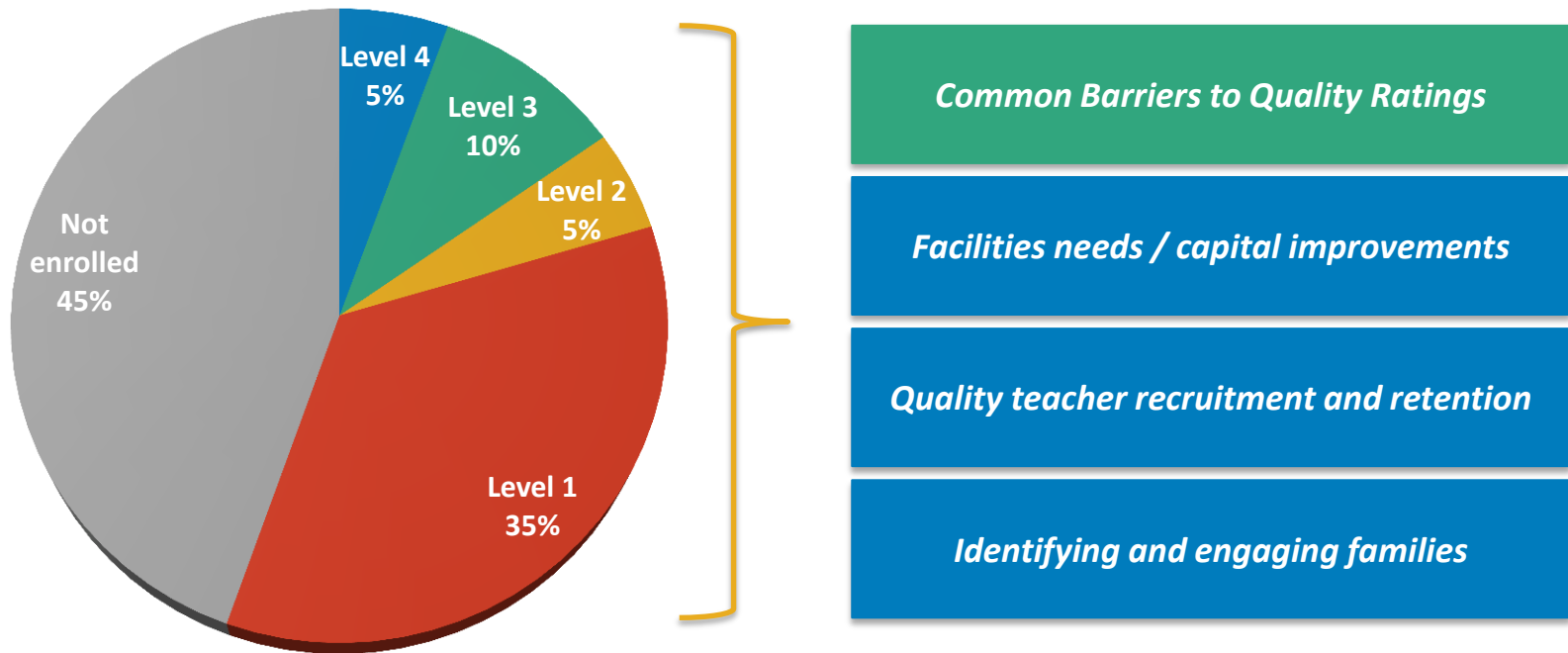
<sup>5</sup> [National KIDS COUNT](#)

## Accessibility: The supply side of early childhood education is large, complex and lower quality than our children deserve



Early childhood education is provided in Marion County by a network of nearly 800 licensed centers, licensed homes, and registered ministries. **Only 15% of providers are considered to be high quality**, indicated by Level 3 or higher on Paths to QUALITY™, Indiana's quality rating and improvement system for early care and education providers.

### *Paths to QUALITY™ ratings of early education Providers in Marion County*



<sup>1</sup> Carefinder Indiana. Indiana Bureau of Child Care. <https://secure.in.gov/apps/fssa/carefinder/showSearchResults.html>

<sup>2</sup> Child Care Licensing Report. Indiana Bureau of Child Care. <http://www.in.gov/fssa/files/MonthlyYTDReport.pdf>

\* Ministry Capacity - recommended capacity according to square footage

The impact of childhood poverty

**Making preschool affordable and accessible**

Implementation

***Our vision is for every child in Indianapolis to have access to a voluntary, high-quality early childhood education that prepares him or her for a successful academic career and success in life.***

*“Now is the time to make access to affordable, high-quality preschool a promise within reach for all children and families that make Indianapolis their home.”— Mayor Gregory A. Ballard*

*\$25 Million Investment in Preschool*

*Governed by Guiding Principles*

*Affordability*

*Accessibility*

*Leveraging the State's Preschool Pilot*

*Improving Provider Capacity*

*Starting Indy's Preschool Scholarship Program*

*Streamlining Search Process for Families*

*Parent and Family Outreach and Engagement*

# Shared guiding principles lead to investments consistent with quality



*Mayor Ballard has developed a set of guiding principles to govern the investments of the plan. These principles highlight specific ways to address affordability and accessibility.*

*Moving providers to Level 3 or 4 on Paths to QUALITY or to national accreditation*

*Partnering with agencies to serve children with additional risk factors*

*Supporting public schools and nonprofit providers in a mixed delivery system*

*Ensuring participation is completely voluntary to providers and parents*

*Contributing to a stronger birth through three continuum of care and education*

*Prioritizing providers that do not expel or suspend children from preschool*

*Focusing on areas of high crime with little access to quality preschool*

*Prioritizing preschools providing health and developmental screenings*

*Partnering with schools and providers with a track record of serving children up to 185% of poverty*

*Prioritizing preschools providing transportation or extended hours to meet needs of working families*

*Partnering with schools and providers that have the best, most-qualified teachers*

*Leveraging national, state, and other grant dollars*



*Mayor Ballard proposes matching funds for as many children and families that qualify for the State scholarship. In addition, Mayor Ballard will **initiate a supplementary preschool scholarship program to serve even more children and families.***

*Provides the United Way of Central Indiana with a flexible public purpose grant*

## *(1) Leveraging the State's Preschool Pilot*

- Uses funds to match State's investment up to \$3 million
- Serves children in families under 127% FPL
- Works with families to identify quality choices
- Learns from ELAC evaluation

## *(2) Starting Indy's Preschool Scholarship Program*

- Uses funds to provide supplemental scholarships
- Serves families up to 185% FPL
- Works with families to identify quality choices
- Provides regular reporting on outcomes

### *Investment*

- Approx. \$8 million per year (public and philanthropic match) resulting in \$40 million over 5 years

### *Outcomes*

- Scholarships for 1,300 four-year-olds to high-quality preschools per year

### *Partners*

- The Mayor's office, the City-County Council, United Way of Central Indiana, the Early Learning Advisory Committee, Child Care Answers, FSSA, preschool providers, school districts, philanthropic organizations, small businesses, corporate partners, and others

*State and Indianapolis-specific scholarships are only effective if there are a sufficient number of high-quality providers to educate young children. **Grants will be made available to scale the number of providers at Level 3 and 4 on Paths to QUALITY™.***

*Provides the United Way of Central Indiana with a flexible public purpose grant*

## *(1) Direct investments in preschool providers*

- Building renovations
- Curriculum purchasing
- Recruiting and retaining teachers
- Engaging families and caregivers

## *(2) Broader investments in the preschool system*

- Developing innovative and scalable partnerships
- Creating stable and consistent learning environments
- Launching the Indy Preschool Locator tool in partnership with GreatSchools.org

### *Investment*

- Approx. \$2 million per year (public and philanthropic match) resulting in \$10 million over 5 years

### *Outcomes*

- Expansion of high-quality preschool slots for four-year-olds
- Expansion of the number of quality providers

### *Partners*

- The Mayor's office, the City-County Council, United Way of Central Indiana, the Early Learning Advisory Committee, Child Care Answers, FSSA, preschool providers, school districts, philanthropic organizations, small businesses, corporate partners, and others

The impact of childhood poverty

Making preschool affordable and accessible

**Implementation timeline**

*The high-level roles and responsibilities of each of the key partners are outlined below.*

| <i>City of Indianapolis</i>   | <i>United Way of Central Indiana</i>  | <i>Child Care Answers</i>   |
|---|---|---|
| <ul style="list-style-type: none"><li>▪ Secure funding</li><li>▪ Support community conversations</li><li>▪ Participate in selection committee</li><li>▪ Encourage providers, supporting organizations, and others to apply for grants</li><li>▪ Identify matching and aligned investments</li><li>▪ Provide information to families about GreatSchools.org locator tool, and parent focused resources</li></ul> | <ul style="list-style-type: none"><li>▪ Organize grant selection</li><li>▪ Facilitate community conversations</li><li>▪ Manage creation and distribution of the Indy City Scholarship program</li><li>▪ Create a common, streamlined grant process</li><li>▪ Steward public resources responsibility</li><li>▪ Report to the Mayor on progress</li><li>▪ Raise additional matches and aligned investments</li></ul> | <ul style="list-style-type: none"><li>▪ Identify preschool providers to participate in the City's scholarship program</li><li>▪ Disseminate information to local preschool providers about grant opportunities</li><li>▪ Provide assistance through training, mentoring and coaching supports to local preschool providers</li><li>▪ Offer ongoing technical assistance to preschool providers as they implement a high-quality program</li></ul> |
| <i>City-County Council</i>  |   |   |
| <ul style="list-style-type: none"><li>▪ Consider funding request</li><li>▪ Approve funding request</li><li>▪ Communicate opportunities to constituents</li><li>▪ Engage parents and family caregivers to support preschool success</li></ul>  |   |   |

# Implementation timeline



*Mayor Ballard's preschool plan will start serving children in the fall of 2015.*

